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HSC BRIEFING

15 February 1955

### CHINESE OFFSHORE ISLANDS

- I. Peiping radio boasted ChiComs had "liberated" islands in Tachen group on 12 Feb, day after 7th Fleet completed evacuation.
  - A. ChiCom plans for Tachens now known, but may make two larger islands into naval base from which to operate ships to south.
  - B. Tachen terrain, and difficulty in keeping island supplied with large amounts of PCL, may prevent ChiComs from building air base there.
- II. Peiping announcement of Tachen "liberation" made pointed reference to Nanchishan as only island off Chekiang coast not yet taken.
  - A. As Comms may believe US unwilling to defend, Nanchishan island may well be next target for Communist attack.
  - B. Since 10 Feb, four ChiCom landing craft operating near Banchow (40 mi NW Nanchishan), likely staging area for any assault on Nanchishan.
- III. ChiNats have vowed to defend Nanchishan at all costs.
  - A. MAAG says Nats rumored planning to withdraw 2,500 Nat regulars and replace with guerrilla forces from Tachens. Total guerrilla strength might reach 5,000-6,000.
  - B. Taipei still considering plan to evacuate Nanchishan civilians (about 2,000). Some 900 have already

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taken to Formosa, according to ChinNat press.

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IV. In Matsus, situation quiet following scare reports of ChiCom ship concentration last week.

- A. ChiNat sources spotted 22 small patrol vessels and 600 junks massed along coast opposite Matsus on 11 Feb., thought invasion might be imminent, requested permission to bomb ships.
- B. CNO withheld permission pending further reconnaissance which showed no unusual activity in following days. Number of ships reported was normal for area.
- C. ChiNat officials believe some of junks carried troops to mainland peninsula north of Matsus where ChiComs reported readying artillery positions.
- D. ChiCom assault on Matsus possible at any time, but believe Comms more likely to undertake probing operations first.

V. In Quemoy, situation also quiet, but ChiComs apparently continue preparations.

- A. MAAG at Taipei believes next ChiCom target will be Quemoy. MAAG bases belief on recent heavy vehicular traffic in areas near Quemoy, including artillery movements, and an increase in artillery positions.
- B. ChiNat officials say 500 ChiCom artillery positions now ring Quemoy. Not confirmed, but this compares with about 400 reported last fall.
- C. We believe these preparations not necessarily geared to early invasion attempt. As in Matsus, ChiComs

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more likely to conduct probing actions, designed test US intentions first.

VI. Communist probing actions also serve purpose of maintaining tension in China area for political purposes.

- A. Comms well aware of general fear of war, also of differences in US position and positions of major US allies and Asian "neutrals" on status of both offshore islands and Formosa.
- B. They seem to believe that, by maintaining tension, they can generate pressure on US for reduction of US commitments to ChiNata.
- C. If US stands firm, Comms see some possibility of damaging relations between US on one hand, allies and neutrals on other.

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